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The Manufacturers Hanover

Financial Digest

Weekly Commentary, Selected Financial Data, and Business Indicators

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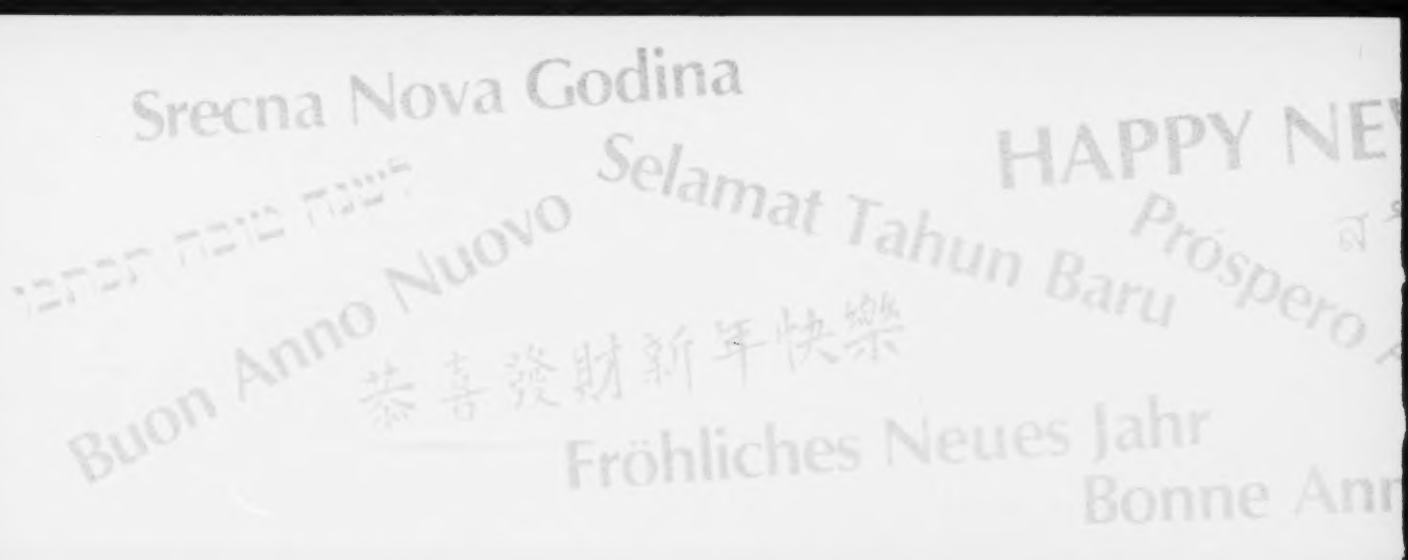

Selected Federal Reserve Data

(Averages of Daily Figures—Billions of Dollars)

	Week Ending 12/14/83	$ Change Since Week Ago	$ Change Since Year Ago
Reserve Bank Credit			
U.S. Gov'ts and Agencies Owned Outright & RPs	159.317	+ .268	+13.062
Loans to Depository Inst.	.630	+ .188	– .073
Float	1.616	+ .251	– .731
Total Reserve Bank Credit	169.721	+ .858	+11.032
Treasury Deposits with Federal Reserve Banks	3.266	+ .123	– .075
Currency Outside Banks	149.157	+ .116	+13.083
Member Bank Reserves:			
Required	37.956	+ .258	– 3.550
Excess (Deficiency)	.519	+ .009	– .035
Total Reserves Held	38.475	+ .267	– 3.585
Net Borrowed Reserves	.021	+ .180	+ .085
Gov'ts held for Foreign Acct. by F.R. Banks (End-of-Week)	113.454	+ 1.574	+ 7.953

Monetary Aggregates†		% Change Since Three Months Ago*	% Change Since Year Ago
M1	520.7	+ 3.3‡	+ 9.0‡
M2 (November '83)	2,176.1	+ 7.3	+ 11.9
M3 (November '83)	2,588.7	+ 9.6	+ 9.2
Domestic Nonfinancial Debt (3rd Q'83)	5,072.0	+ 11.2	+ 10.4

†Seasonally adjusted.

*Seasonally adjusted annual rate.
‡Four-week moving average.

New York Money Market

Offering Rates 12/23/83	3 Months	6 Months	1 Year
‡U.S. Treasury Bills	8.85%	9.10%	9.20%
* Federal Agencies	9.50	9.70	10.15
* Project Notes—Taxfree (46% Taxable Equivalent)	9.54	10.09	11.02
Negotiable Time CDs Manufacturers Hanover		Rates By Arrangement	
* Secondary Market—Prime	9.72	9.82	10.20

‡Finance Company Paper—Prime		‡* Bankers' Acceptances	
5- 14 days	9.75%	Jan.	9.80%
15- 29 days	9.70	Feb.	9.70
30- 59 days	9.65	Mar.	9.60
60- 89 days	9.50	Apr.	9.55
90-179 days	9.35	May	9.50
180-239 days	9.10	Jun.	9.40
240-270 days	9.10		

‡Industrial Paper—Prime		†Federal Funds Effective Rate	9.05%
30- 89 days	9.63%		
90-120 days	9.63		

‡Discount basis. * Subject to availability. † Estimated.

Selected Business Indicators

(All Dollar Figures in Billions)

	Latest Period or End of Period		Previous Period	Year Ago Period
Gross National Product (Current Dollars)*	3rd Q'83	$ 3,362r	$ 3,272	$ 3,091
Gross National Product (1972 Dollars)*	3rd Q'83	$ 1,553r	$ 1,525	$ 1,486
Percent Change, Annual Rate	3rd Q'83	7.6r	9.7	– 1.0
Change in Consumer Prices (new series)*	Nov '83n	3.6%	4.8%	0.0%
Change in Producer Prices*	Nov '83	– 2.4%	3.6%	7.2%
Civilian Employment (Thousands of Persons)†	Nov '83	102,671	101,928	99,136
Unemployment as % of Civilian Labor Force†	Nov '83	8.4%	8.8%	10.7%
Personal Income*	Nov '83n	$ 2,832	$ 2,812r	$ 2,633
Leading Indicators Composite Index (1967=100)†	Oct '83	161.8	160.5	138.6
Industrial Production Index (1967=100) †	Nov '83	156.3	155.1	134.9
Net Change in Consumer Installment Credit †	Oct '83	$ 4.89	$ 2.38	–$ 0.13
U.S. Merchandise Trade Balance †	Oct '83	–$ 8.97	–$ 5.81	–$ 5.26
Plant and Equipment Expenditures*	1st Q'84	$323.07(a)	$321.60(a)	$293.03
Private Housing Starts (Thousands of Units)*	Nov '83n	1,756	1,650r	1,361
New Construction Expenditures*	Oct '83	$ 269.5	$ 276.4	$ 234.1
Total Business Inventories †	Oct '83	$ 516.1	$ 513.9	$ 519.8
Total Business Sales †	Oct '83	$ 382.1	$ 380.6	$ 336.9

*Seasonally adjusted annual rate. †Seasonally adjusted. n-Newly reported figure. r-Revised. a-Anticipated.

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Short Term Paper Outstanding
(Millions of Dollars)

	Latest Week	Change Since Week Ago	Change Since Year Ago
Negotiable Time CD's Weekly Reporting Banks			
Nationwide (12/7/83)	88,931	– 493	–51,157
New York City (12/7/83)	18,709	– 281	–18,619
Commercial Paper (12/7/83)	182,003	– 500	+ 9,007

Bank Loans
(Millions of Dollars)

Commercial and Industrial Loans

Weekly Reporting Large Commercial Banks	Latest Week	Change Since Week Ago	Change Since Year Ago
Nationwide (12/7/83)	218,267	+ 814	+ 1,760
New York City (12/7/83)	58,252	+ 608	– 3,064

Total Loans Gross Adjusted

	Latest Week	Change Since Week Ago	Change Since Year Ago
Nationwide (12/7/83)	525,818	+ 2,281	+20,017
New York City (12/7/83)	120,780	+ 852	– 725

Financial Markets

	Friday 12/23/83	Change Since Week Ago	Change Since Year Ago
U.S. Governments, Closing Yields:			
90-Day Bills†	9.30%	– .15	+ 1.10
180-Day Bills†	9.75	– .10	+ 1.25
Longest Bills†	10.10	+ .05	+ 1.30
Recent Issues:			
10⅞s 12/31/85 (When Issued)	10.87	NA	
11⅛s 9/30/87	11.35	– .05	
11¾s 11/15/93	11.75	– .10	
12s 8/15/13	11.87	– .05	
Municipals:			
Bond Buyer–20 Bond Index* (12/22/83)	9.92%	– .12	+ .08
Blue List Total ($ Million)	$1,536	– $218	+ $ 290
30-Day Visible Supply ($ Million)	$2,169	– $700	+ $1,213
Total	$3,705	– $918	+ $1,503
Corporates:			
Moody's Aa Composite (12/21/83)	12.84%	+ .02	+ .36
30-Day Visible Supply ($ Million)	$1,895	+ $175	+ $1,138
Stocks:			
Dow-Jones Averages:			
Industrials	1,250.51	+ 8.34	+ 205.44
Transportation	587.26	– 2.89	+ 140.09
Utilities	130.64	– .38	+ 12.61
65 Stocks	497.64	+ 1.00	+ 89.85
Standard and Poor's 500 Stocks	163.22	+ .83	+ 23.50
N.Y.S.E. Composite Index	94.17	+ .31	+ 13.78
N.Y.S.E. Avg. Daily Vol. for Week (000's)	87,242	+ 2,052	+ 15,599

* 46% Taxable equivalent 18.37%.

† Bond equivalent.

International Rates

EURODOLLAR DEPOSIT RATES (bid)	Friday 12/23/83	Week Ago
Overnight	9.13%	9.75%
1 month	10.06	10.44
3 month	10.06	10.38
6 month	10.25	10.50
1 year	10.50	10.75
EURODOLLAR BONDS Average Yield		
Medium Term (5 to 7 yrs.)	11.60%	11.65%
Long Term (7 to 15 yrs.)	11.75	11.75

FOREIGN EXCHANGE SPOT RATES

New York Opening (12/23/83)	U.S. $ Equivalent	Currency Per U.S. $
Belgium	.01776	56.32
Canada	.8028	1.2456
Denmark	.09984	10.0160
France	.1183	8.4525
Germany	.3619	2.7635
Italy	.0005965	1676.50
Japan	.004276	233.85
Mexico	.006061	165.00
Netherlands	.3221	3.1050
Switzerland	.4542	2.2015
U.K.	1.4296	.6995

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Some things shouldn't change. And these three words express the abiding philosophy which sets Manufacturers Hanover apart from other global financial institutions. At Manufacturers Hanover a lot of good people make this philosophy live. They put quality into the services we offer, make loyalty to our customers paramount, and give consistency to our approach and performance. If you value character as well as size and scope, consider Manufacturers Hanover. The Financial Source—worldwide.

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